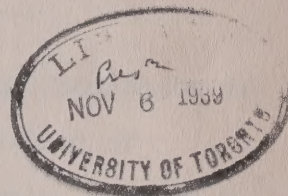


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THE CANADIAN MANUFACTURERS ASSOCIATION
INCORPORATED

TO THE ROYAL COMMISSION INVESTIGATING MOTOR VEHICLE
TRANSPORTATION IN THE PROVINCE OF ONTARIO.

Ontario.
Transportation. Royal
Comm. on.

MEMORANDUM OF SUBMISSION ON BEHALF OF THE CANADIAN
MANUFACTURERS ASSOCIATION INCORPORATED DEALING WITH
REGULATION OF PUBLIC COMMERCIAL VEHICLES HANDLING
FREIGHT TRAFFIC ON THE HIGHWAYS OF THE PROVINCE OF
ONTARIO.

OCTOBER 13, 1937.

sent to Professor Jackson

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THE
FEDERAL
BUREAU OF
INVESTIGATION
UNITED STATES
DEPARTMENT OF JUSTICE
WASHINGTON, D. C.
20535

MEMORANDUM OF SUBMISSION ON BEHALF OF THE CANADIAN
MANUFACTURERS ASSOCIATION INCORPORATED DEALING WITH
REGULATION OF PUBLIC COMMERCIAL VEHICLES HANDLING
FREIGHT TRAFFIC ON THE HIGHWAYS OF THE PROVINCE OF
ONTARIO.

REGULATION OF PUBLIC COMMERCIAL VEHICLES
HANDLING FREIGHT TRAFFIC ON THE HIGHWAYS
OF THE PROVINCE OF ONTARIO.

In Section No. 4 of the order of reference your Commission is asked to investigate and report upon the present method of licensing and what further regulations should be made. In view of the fact that much of the existing legislation and regulations dealing with public commercial vehicle operations handling freight traffic for hire, pay or gain has followed representations made by various organizations representing users of these services as well as the operators thereof, it is submitted that a brief survey of the representations which have been made will be of some value to your Commission in determining how the present regulations meet the conditions of this class of transportation and what further regulations may be necessary.

The Canadian Manufacturers Association in collaboration with The Canadian Industrial Traffic League, Toronto Board of Trade and Hamilton Chamber of Commerce, all representing users of public commercial vehicle services in the Province of Ontario, have over a period of eleven years studied the requirements of their members and made representations to the Provincial Government seeking the establishment of reasonable legislation and regulations in an effort to correct certain unfair practices which it appeared were present in connection with this class of transportation when entirely unregulated in a somewhat similar manner to the condition existing when rail transportation was entirely unregulated. In the representations which have been made it is interesting to note that the Automotive Transport Association of Ontario, an organization of public commercial vehicle operators, has co-operated in connection with these representations and under these circumstances we believe it can be stated that both the users and the operators of public commercial vehicle services in Ontario have supported the legislation which has been enacted and the regulations which have so far been issued.

In dealing with this legislation the various organizations mentioned have based their representations upon a number of principles and as a matter of information they are submitted herewith.

1. That every operator of a motor vehicle for the transportation of freight traffic (goods, wares or merchandise) for hire, pay or gain, operating on the highways, should be required to secure a certificate of necessity and convenience before he may operate on the highways.
2. That the schedules of rates and charges together with the rules and regulations and classifications in connection therewith should be published, posted, and filed with an appropriate public authority of the province.
3. That the rates charged shall be those called for in the schedules on file and should not be varied from except by the proper publication of any change so that all may be fully advised and that within such schedules carriers should accept and carry freight offered to them without undue discrimination between customers and commodities.
4. Each operator should be required to effect and file with the appropriate public authority of the province an insurance policy or policies at least against the major risks which would be encountered in the business of such operator.
5. Each operator should be required to keep accounts on some prescribed system, returns being rendered to the public authority in the province on a uniform basis.
6. Each operator should be required to issue a bill of lading for each shipment and the conditions and form of such bill of lading should be uniform throughout the country.

The legislation at present in effect embodying the principles above stated is known as "The Commercial Vehicle Act 1936." A number of these principles become operative, however, only after regulations have been authorized by Order-in-Council.

The regulations at present in effect in pursuance of authority in Sections 7 and 8 of the Act are in a large part based upon representations made by the users and operators to the Minister of Highways. The present regulations were approved by Order-in-Council dated February 22, 1936, entitled "Regulations Respecting The Licensing Of Public Commercial Vehicles." Since these regulations became effective the users and operators have made further representations to the Minister of Highways with particular reference to the issuance of regulations dealing with principles 2 and 3 previously outlined and in respect to these matters the following is submitted.

In a broad way it may be said that in approaching these matters the users of transportation services have been primarily interested in the development and maintenance of various classes of transportation in such a manner as will assure adequate, reliable and prompt service at reasonable rates without unjust discriminations or advantages, and unfair or competitive practices. The representations made by the users and operators of these public commercial vehicle services have requested the issuance of regulations dealing with principles 2 and 3 hereinbefore referred to, the issuance of which is authorized under sub-section E of Section 8 of The Commercial Vehicle Act 1936. In support of these representations it has been stated that the users and operators desire to have available an appropriate tribunal clothed with the necessary authority to require that all tariffs issued by the operators shall be filed with such tribunal and available for examination by the public in appropriate places; that the rates and rules contained in such tariffs shall be adhered to while in effect, and that unreasonable rates or rules and unjust discriminations or advantages will be deemed to be unlawful and complaints in connection with such matters will be considered and dealt with by such tribunal.

In suggesting the establishment of a tribunal, attention should be drawn to the fact that at the present time under The Public Commercial Vehicle Act 1936 the Ontario Municipal Board is authorized to deal with the certificate of necessity and convenience required to be obtained by public commercial vehicle operators before they may secure the necessary license from the Department of Highways to operate such a service. In view of these activities by the Ontario Municipal Board, it is suggested that this tribunal might be used as the nucleus of the tribunal suggested to handle the publication, filing and posting of tariffs and complaints respecting unfair practices. It is submitted, however, that if this suggestion were adopted, it would require that the personnel of the Board include members, officials and staff familiar with tariff publication and rate making so that the matters mentioned might be handled by parties familiar with such questions.

It is submitted that your Honourable Commission should recommend in your report that the necessary regulations under authority of The Public Commercial Vehicle Act 1936 should be issued bringing into full effect the provisions of sub-section E of Section 8 and that such regulations should authorize the establishment of an appropriate tribunal - the Ontario Municipal Board if thought advisable - such tribunal to require the publication, filing and posting of tariffs, adherence to tariffs while in effect and be authorized to consider complaints in respect to unreasonable rates and rules or those dealing with unjust discriminations or undue advantages, that the tribunal should be equipped with experienced personnel familiar with this type of regulation.

While the foregoing deals with matters outlined in Section 4 of your order of reference, it is believed that some general observations with respect to other matters outlined in the order of reference are desirable, although the development of facts in connection therewith would appear to be matters which other parties, particularly those representing the various classes of carriers, will submit to you.

Sections 1, 2 and 3 of the order of reference directs that the Commission in particular should develop facts pertaining to the tolls charged, the taxes and fees paid by public commercial vehicle operators, the wages paid to and the hours of labor worked by employees of such operators, and the subsidies received by such operators; to secure from operators of rail, water or air transportation similar information comparing same with the information secured from public commercial vehicle operators. As we view this situation, this information must of necessity be secured largely from the operators of the various classes of transportation. It is believed, however, that when this information has been made available that the users of these transportation facilities should be given an opportunity of studying the information and as a result may present their views on such matters.



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In examining Sections 2 and 3 it is noted that the matters to be compared are those specified in sub-sections (a) to (d) of Section 1, but the question of subsidies mentioned in sub-section (e) of Section 1 is not mentioned. In view of this, it is submitted that as the rail, water and air classes of transportation have received or are receiving subsidies, information in respect thereto should be developed and comparison made with similar information developed in respect to motor vehicle operations.

Section 5 directs that you investigate and report upon the annual cost of constructing, maintaining and administering all public roads in the Province of Ontario and the contributory cost, direct or otherwise, by the municipalities affected, also to what extent these costs should be met by the owners and operators of such motor vehicles. This information must of necessity be supplied largely by the Provincial Government and various municipalities who have constructed and maintain these roads. Having secured this information, the determination of the extent to which this cost should be met by operators of motor vehicles will doubtless be developed through submissions and argument by the parties directly interested, and as this would have a direct bearing upon the taxes or fees to be paid, the users of these transportation facilities may wish to submit some views on this matter.

In considering the regulation of public commercial vehicle operators, it is submitted that the importance of this service in the public interest should be borne in mind to the end that inherent advantages be recognized and preserved, that sound economic conditions be fostered so that the service will be developed and maintained in the public interest.

The Commercial Vehicle Act 1936 provides that before an operator may use the highways he must first secure a certificate of necessity and convenience from the Ontario Municipal Board, such certificate being granted after a hearing and the development of facts demonstrating the public necessity and convenience. It should also be mentioned that there are many communities served by commercial vehicle operators which are dependent entirely upon such services for the movement of their goods.

While the principle respecting publication, filing and posting of tariffs is stated in general terms, it should be pointed out that the public commercial vehicle operations are divided under existing regulations into a number of different classes dependent upon the service performed. Therefore, when the details of such regulations are being considered as a result of any action to be taken following submission of your report to the Government, it is possible that the various parties interested, users and operators, may request that such regulations deal differently with different classes of operators.

In conclusion it is submitted that the additional regulations if placed in force and properly enforced will materially assist in assuring the proper development of motor vehicle transportation services in the public interest.

All of which is respectfully submitted.

THE CANADIAN MANUFACTURERS ASSOCIATION
INCORPORATED

J. G. Brown

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Manager-Transportation Department

